

## Message Text

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ORIGIN XMB-07

INFO OCT-01 AF-10 ISO-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 OPIC-12 SPC-03

CIEP-02 LAB-06 SIL-01 OMB-01 L-03 /090 R

66618

DRAFTED BY EXIMBANK: JOHN J MCDONNELL

APPROVED BY EB/OCA/REP:LHPOMEROY

XMB WARREN W GLICK

AF/W:ARMCKEE

AF: RSSMITH

EB/IFD/ODF:EMLINTON

----- 130853

R 302325Z NOV 73

FM SECSTATE WASHDC

TO AMEMBASSY LAGOS

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E.O. 11652: N/A

TAGS: NI, EFIN, ETRN

SUBJ: NIGERIAN AIRWAYS' DELINQUENCIES TO EXIMBANK - CREDITS

3080, 3757, GUARANTEE 3758

REF: EMBTEL 6970, DEPTTEL 178448

DELINQUENT INSTALLMENTS OF PRINCIPAL AND INTEREST  
DUE EXIMBANK AS OF APRIL 30, 1973 ON SUBJECT CREDITS AND  
GUARANTEE HAVE NOT BEEN RECEIVED BY EXIMBANK OR BY CHASE  
MANHATTAN BANK. SUCH DELINQUENCIES HAVE NOW INCREASED WITH  
FAILURE TO PAY PRINCIPAL, INTEREST AND FEES DUE OCTOBER 31.  
PAYMENTS PAST DUE ARE NOW AS FOLLOWS:

CREDIT 3080 TO EXIMBANK, INTEREST \$255,922.26; CREDIT  
3757 TO EXIMBANK, INTEREST \$458,188.56, COMMITMENT FEE  
\$35,602.25; GUARANTEE 3758 (DUE CHASE MANHATTAN BANK BUT  
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GUARANTEED BY EXIMBANK), PRINCIPAL \$2,004,524.10, INTEREST

\$603,380.28, FEES \$37,784.28.

EXIMBANK IS ADVISED THAT CHASE MANHATTAN BANK THROUGH ITS BRANCH IN LAGOS HAS PRESSED FOR PAYMENT IN CONTACT WITH OBI OF NIGERIAN AIRWAYS BUT REPORTS NO SUCCESS IN OBTAINING PAYMENTS. AS EMBASSY IS PROBABLY AWARE, EXIMBANK AND CHASE HAVE SUSPENDED DISBURSEMENT ON CREDIT/GUARANTEE 3757/8 WHICH, IN THE INTERIM, HAVE EXPIRED. NEITHER BANK IS PREPARED TO EXTEND ITS CREDITS UNTIL DELINQUENCIES ARE PAID.

AS A FURTHER CONSEQUENCES OF THESE DELINQUENCIES, EXIMBANK IS ADVISING BENEFICIARIES OF PRELIMINARY COMMITMENTS RELATING TO GOVERNMENT PROJECTS THAT POTENTIAL FOLLOW-ON CREDIT CANNOT BE UTILIZED UNTIL THE DELINQUENCIES ARE CURRENT. THIS CAUSES CONSIDERABLE CONCERN TO THE U.S. SUPPLIERS INVOLVED AS THIS CONDITION IS BEYOND THEIR CONTROL TO FULFILL.

EMBASSY IS AGAIN REQUESTED TO MAKE REPRESENTATIONS TO APPROPRIATE OFFICIALS ON BEHALF OF THE EXPORT-IMPORT BANK TO OBTAIN PAYMENT AND REPORT ON RESULTS. EXIMBANK CONSIDERS THAT SUCH REPRESENTATION BY THE EMBASSY TO BE EQUIVALENT TO A FORMAL DEMAND ON ITS BEHALF ON THE GUARANTOR FOR PAYMENT. IF, HOWEVER, EMBASSY BELIEVES A LETTER OF DEMAND TO THE FMG FROM EXIMBANK SHOULD BE PREPARED, PLEASE SO ADVISE. PAGE COMMUNICATIONS ENGINEERS HAS APPROACHED DEPARTMENT TO EXPRESS FEAR THAT SIGNED, \$10 MILLION CONTRACT FOR RIVERS STATE RADIO-TV SYSTEM MAY BE QUICKLY JEOPARDIZED IN ABSENCE EXIMBANK REPAYMENT GUARANTEE AND CREDIT AGREEMENT COVERING 90 PERCENT OF U.S. COSTS. PAGE INTERNATIONAL FINANCE MANAGER KORNELL ARRIVING LAGOS DECEMBER 2, AND LIKELY VISIT EMBASSY DECEMBER 3 TO DISCUSS SITUATION. RUSH

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AIRLINES, DEBT REPAYMENTS, BANK LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 30 NOV 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** worrelsw  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Previous Classification:** LIMITED OFFICIAL USE  
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**Review Content Flags:**  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NIGERIAN AIRWAYS' DELINQUENCIES TO EXIMBANK - CREDITS 3080, 3757, GUARANTEE 3758  
**TAGS:** EFIN, ETRN, NI, XMB, NIGERIA AIRWAYS  
**To:** LAGOS  
**Type:** TE  
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